

SERVIANS FIGHT IN DESIRE FOR NATIONAL UNITY

Diplomats of World Have Long
Foreseen That Struggle Was
Bound to Come.

STANDS IN WAY OF AUSTRIA

Dream of Statesmen of Dual Mon-
archy Has Been to Acquire Saloni-
ka and the Land Between
That Port and Fron-
tier of Bosnia.

While the immediate cause of Aus-
tria-Hungary's attack on Serbia is the
demand for reparation for the murder
of the Archduke Francis Ferdinand
and his wife, the duchess of Hohen-
berg, the ultimate causes are the
movement of the Hapsburg empire
toward the south and the desperate
efforts of the entire Serb race to re-
gain complete national existence.

Ever since the repulse of the Turk-
ish army from Vienna in 1683 the Aus-
trians have steadily fought their way
southward, expecting ultimately to
make their way to the Aegean under
the ruins of the Turkish empire. Aus-
tria, like Russia, was not unwilling to
see small buffer states set up to oc-
cupy the middle ground during the in-
tervals of rest in her forward move-
ment, and so most of the Balkan
states of today came into being.

Of the Serbian race, which in the
thirteenth and fourteenth centuries
ruled a vast empire, extending over
the western half of the Balkan penin-
sula and the eastern coast of the Ad-
riatic, practically all had come under
Turkish domination in the sixteenth
century. The Serbs of the hinterland
of Istria and Dalmatia were soon tak-
en from Turkey by Austria, and Mon-
tenegro won its independence. This
left the Serbs of Bosnia, the Herzego-
vina and Serbia proper, as well as of
the Sanjak of Novi Bazar and North-
ern Macedonia, still under Turkish rule.

The Serbs of the present kingdom
became autonomous in 1830, but re-

sible for the ruling of the powers,
which compelled the Servians to give
up part of their conquests in Albania.
Thus Serbia lost her chance to get a
seaport and remains a landlocked
power, her only outlet being through
the friendly Greek ports on the Ae-
gean sea.

But the Serbian victories in Mace-
donia, and the Greek capture of Sa-
lonika put an unexpected obstacle in
the way of Austria's march to the
south. No more could the dual mon-
archy hope to inherit Salonika and
the land between that port and the
frontier of Bosnia on the final down-
fall of Turkey; Serbia was now
squarely across her path.

So the Balkan wars left the Ser-
vians confident of their military ability,
elated by victory, determined on com-
plete national unity, and angered by
Austria's continued hold on the north-
ern part of the nation and by her ac-
tion in depriving the nation of an out-
let to the sea. These wars left Austria
Hungary with increased difficulties in
dealing with the Slav tribes, particu-
larly the Serbians, now in her domi-
nions, and convinced that the march to
the southward must be given up al-
together unless Serbia could be put out
of the way.

To this were added minor irrita-
tions, such as the railroad question in
Macedonia. The Servians wanted to
add the railroads in the territory con-
quered from Turkey to the state sys-
tem, but the stockholders, most of
whom were Austrians or Hungarians,
objected. Moreover, there was con-
stant friction in Bosnia, and the party
in Serbia which regretted the break-
up of the Balkan league was inclined
to attribute the discord between Bul-
garia and her former allies to the op-
erations of Austrian diplomacy.

Thirty years ago Serbia was a cat-
spaw for Austria in Balkan schemes,
with Russia backing Bulgaria, but now
the Servians can count on Russian
sympathy, for their cause is indirectly
the cause of the entire Slav race in
its double struggle to be free from
German rule and to fight with the Ger-
mans for the heritage of Constantinople.

Peter Made King by Tragedy.

King Peter, under whose rule Ser-
bia has advanced to a strong position
in southeastern Europe, came to the
throne as the result of a crime that
shocked the world.

Eleven years ago King Alexander of
Serbia and Queen Draga were assas-
sinated in their palace at Belgrade.
Half an hour after midnight on June

EUROPEAN NATIONS PREPARE FOR WAR

WHOLE OF EUROPE PRACTICALLY
THOUGH UNOFFICIALLY MOB-
ILIZED.

CENSORS SILENCE CABLES

Communication is Mostly Cut Off
From European Capital and Only
Ominous Reports Heard.

London.—A Daily News Dispatch
from Berlin says Germany has ad-
dressed an ultimatum to Russia de-
manding that mobilization be stopped
within 12 hours.

A question has also been address-
ed to France, the dispatch says, in re-
gard to her attitude in certain contin-
gencies.

The Daily Citizens Paris corre-
spondent reports that a general mobil-
ization has been ordered.

Great Britain is practically, though
not officially mobilized, and the small-
er European States, Belgium, Holland
and Switzerland, as a precaution,
have ordered the mobilization of their
armies to protect their territory
from being used as a highway for the
belligerents, and Norway, Sweden and
Denmark to guard themselves on gen-
eral principles.

Italy makes no announcement and
although a rumor credits her with
the decision not to participate in the
struggle, there is little doubt that she
is making ready for mobilization.

Communication across Europe has
been cut off and there is universal ap-
plication of the censorship, with the
result that it is impossible to obtain
any accurate knowledge of what mil-
itary operations are going on in Ser-
bia. All code telegrams are refused.
Many American travelers have been
held up by the suspension of inter-
national trains.

The withdrawal of three famous
German yachts from the Cowes
regatta is significant. They include
the Emperor's Meteor and Krupp's
Germania.

All the countries involved in the
war have prohibited the export of
many products. All the stock ex-
changes in England and Scotland are
closed. European State banks have
raised their rates and the Bank of
England rate has been doubled.

Facing the most serious epoch in
their history since they shivered be-
fore the specter of a Napoleonic in-
vasion, the English people are the
calmest nation of Europe. They felt
the decision whether Great Britain
was to be drawn into a general Euro-
pean war was hanging in the bal-
ance; they believe it is a probability
rather than a possibility.

There is no mistaking the fact that,
with the exception of a minority of
peace advocates, the nation's mind is
reconciled to war.

There have been no "demonstra-
tions," but there is apparent among
all classes a sober and grim determi-
nation if the government declares the
nation's interests and obligations re-
quire her to take up arms side by
side with Russia and France, to see
the business through to the bitter end.

The belief of the average man is
that the existence of the whole of
Europe as an armed camp, nervous
and jealous, could have but one cul-
mination and if the hour for a gen-
eral settlement has struck, there will
be no flinching.

Stock Markets of World Closed.

New York.—The vast and complex
machinery of the securities markets
of the world came to a complete halt
for an indefinite period. It was an
occurrence unprecedented in history.
With all Europe seemingly on the
verge of war, the Continental ex-
change closed several days ago with
the London market following suit. The
New York Exchange would have been
called upon to bear the weight of the
world's financial burdens. It virtually
had done so all week, for while the
London market was open, transac-
tions were nominal. The unloading
of stocks here by panic-stricken Eu-
rope during the last four days and the
consequent collapse of prices made
history in Wall Street.

To continue longer to bear the bur-
den, in the opinion of the bankers,
whose influence determines the course
of events in the Street, would have
been hazardous in the extreme. After
a period of hesitation and extreme
nervous tension, it was decided 10
minutes before the hour set for the
beginning of business that the ex-
change would not be opened. That
action closed the last great market
of the world. "If a general European
war should come," and member of
the board, "the exchange may be
closed all summer."

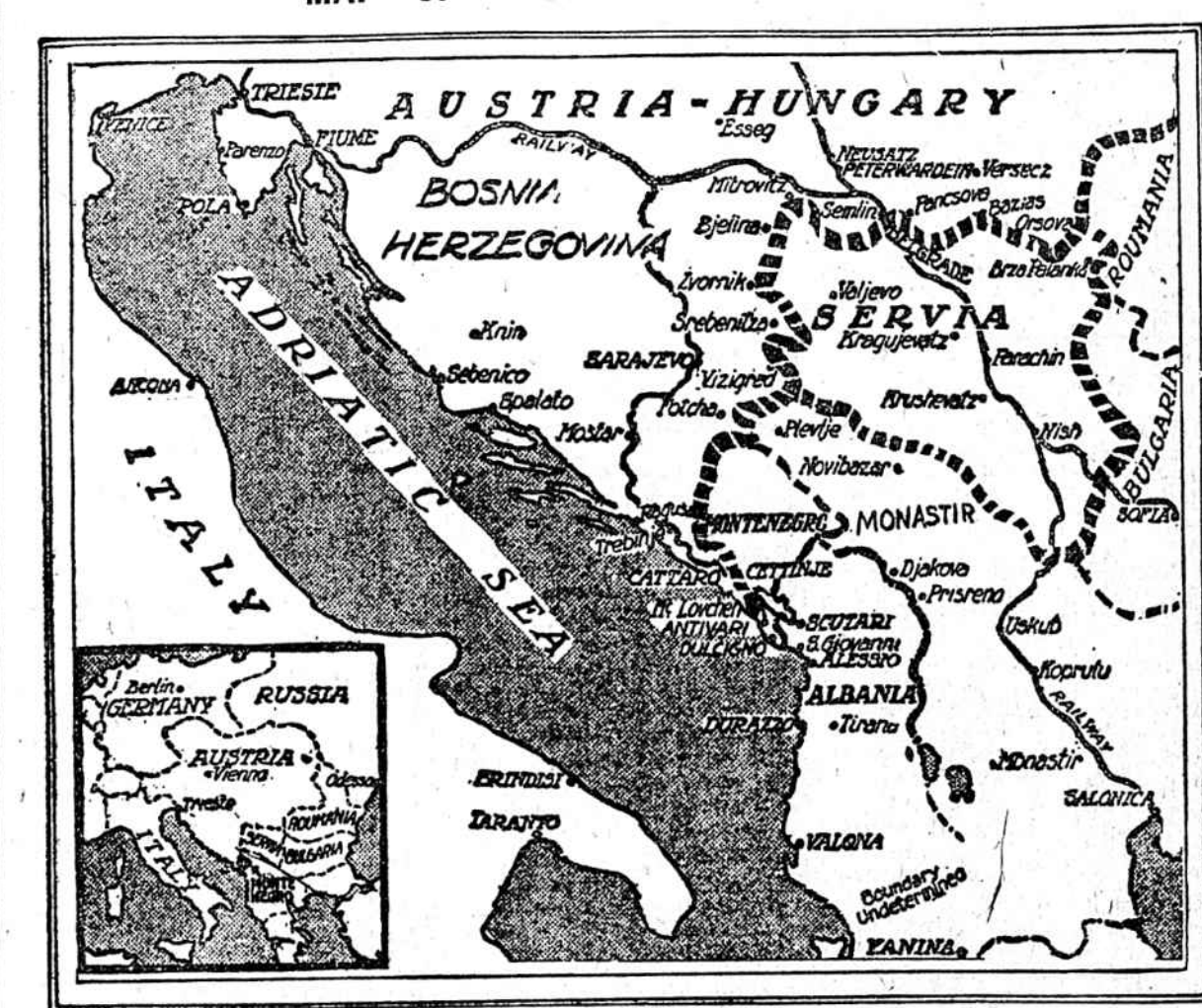
Railroad is Embarrassed.

Peoria, Ill.—The Chicago, Peoria &
St. Louis Railroad was placed in the
hands of receivers. The action was
brought by the Bankers' Trust Com-
pany of New York following the fail-
ure of the road to pay interest on
\$2,000,000 due on June 1 of this year.
The amount is part of a \$15,000,000
issue largely taken by English invest-
ors in July, 1913. Major Blufford
Wilson, president of the road and Wil-
liam Cotten, representing the major-
ity bondholders of New York, were
named as receivers.

Expect Mexican Peace.

Washington.—Secretary Bryan told
Minister Suarez of Chile with whom
he discussed the Mexican situation
he was confident an agreement soon
would be reached between Provisional
President Carranza and General
Carranza for the peaceful transfer of
the government at Mexico City. The
state department was advised that
General Villa and Justice Alende, the
two Carranza delegates to the peace
conference, had left Tampico for Sal-
tillo where they are expected to ar-
rive soon.

MAP OF AUSTRIA-SERBIA FRONTIER.



RUSSIAN CZAR MAY LEAD MILLION MEN

PATRIOTIC DEMONSTRATIONS
OCCUR IN ST. PETERSBURG
AND FORCES GATHER.

GREAT BRITAIN IS FOR PEACE

Austrian Forces Capture Serbian Sup-
ply Ships on Danube and Belgrade
is Besieged.

St. Petersburg.—A great patriotic
demonstration took place on the
Nevsky Prospect. A procession was
formed and with banners flying
marched to the Serbian Legation
where there were speeches singing
and cheering. Thence the procession
marched to the French and British
embassies where similar scenes of
enthusiasm were enacted the crowds
increasing.

The cadets of the naval school were
promoted to the rank of officers. In
addressing them the Emperor said:
"I have given orders that you
should be incorporated in the Navy
in view of the serious events through
which Russia is passing. During your
service as officers do not forget what
I say to you—trust in God and have
faith in the glory and greatness of
our mighty country."

A striking demonstration occurred
at the Kazan cathedral where a spe-
cial service was held and prayers were
offered for victory to the Slav arms.
The cathedral was thronged and the
officiating priest after the ceremony
presented to the Serbian Minister a
fac simile of the Ikon of the Holy
Virgin of Kazan for the Serbian army.
The Minister handed the Ikon to offi-
cers who started for the front.

Expects Russian Action.

London.—The day's events brought
no relief to the suspense nor any di-
plomatic achievement to restrict the
Austro-Serbian war to those two na-
tions. The feeling throughout Eng-
land and the Continental feeling, as
reflected by the correspondents of
the London papers, tonight is distinct-
ly more anxious than yesterday.

Two events have made for pes-
simism. Direct negotiations between
Russia and Austria, which gave the
other governments hope of a com-
promise, have failed. Russia is
mobilizing four army corps consist-
ing of 1,280,000 men. In the four dis-
tricts along the Austrian frontier. Rus-
sia's resolution to stand by Serbia ap-
pears to be fixed.

A manifesto by the Russian em-
peror making his policy clear is ex-
pected hourly. The diplomatic repre-
sentatives, though all say there yet
is hope and base their belief on the
fact that Germany, France, Great
Britain and Italy—the last two named
most of all—do not want war and
don't think the Austro-Serbian quar-
rel important enough to justify it.

St. Petersburg messages say Russia
has asked Austria for a direct ex-
change of views and that Austria de-
clined to extend the much-discussed
negotiations which yesterday were
considered in the chancelleries as the
principal known basis for optimism.

Certificate to Pass Through Canal.

New York.—In anticipation of the
Panama Canal 50 vessels have thus
far applied to the surveyor of the port
of New York for measurement under
the canal rules. Thirty vessels, it
was announced, have already been
granted certificates which they will
produce whenever they pass through
the canal. There is no fee for meas-
urement and foreign vessels can also
measure for the canal traffic. Under
the canal rules it will cost the
American steamships Kronland and
Finland \$10,725 apiece.

Suffer For Food.

Otates, Sinaloa, Mexico.—The Pa-
cific Mail Line, City of Sydney did not
land provisions at Mazatlan, as in-
tended, because the captain feared to
endanger his ship and the lives of his
passengers in the cross fire of shells
over the harbor. As a result the Fed-
eral governor of the post issued a
manifesto endeavoring to incite anti-
American feeling. The Americans,
he said, were responsible for not land-
ing the sorely needed provisions.
Mazatlan has been half-starved for
months.

FEELING OF RELIEF OVER DECLARATION

AUSTRIAN OFFICIALS HOPEFUL
THAT WAR WILL BE KEPT IN
BOUNDS.

ALL SERVIANS CALLED OUT

Several Sharp Little Fights Have Oc-
curred Killing a Few.—St. Peters-
burg is Center of Interest.

Vienna.—The people in the dual
monarchy look forward to a war with
Serbia, which formally was declared,
with a feeling of relief.

High officials are optimistic that
the war will be confined to these
two countries. Certain knowledge
that Russia would intervene, however,
would not cause Austria to alter her
course in the slightest.

News of the formal declaration of
war ran through the city before ex-
tra editions of the papers could reach
the vendors and was everywhere
greeted with a spirit which might be
described as close to religious exal-
tation.

Vienna is absolutely without news
of troop movements which the papers
are forbidden to print. A sharp cen-
sorship has been established over all
means of communication. The even-
ing papers published the following
inspired statement:

"In well-informed circles the view
is held that so far as Sir Edward
Grey's proposal to localize the con-
flict between Austria-Hungary and
Serbia, the former can declare her-
self entirely agreed with Sir Edward
Grey's remarks, but regarding what
he has said concerning the suppres-
sion of military operations affairs
have proceeded much too far to allow
anything to be done in this direction."

Advices from Belgrade say the
Serbian capital is now located at Nish
where the Skupshchina (National As-
sembly) met today. All Servians be-
tween 18 and 60 years, able to bear
arms, have been called out and mo-
bilization is proceeding rapidly.

The Militaerische Rundschau re-
ports sharp fighting along the river
Drina where Serbian volunteers who
attempted to cross were opposed by
Austrian frontier troops. It also re-
ports that Servians fired on their own
river transports by mistake, killing
and wounding several Serbian sol-
diers.

The ministry of foreign affairs has
addressed a verbal note to the for-
eign representatives informing them
of the declaration of war and declar-
ing that Austria will, on the assump-
tion of similar observances by Serbia,
adhere to the provisions of The
Hague conference of October 15, 1908,
and the declaration of London of
February 26, 1909.

Workers May Go to War.

Pittsburg.—Heads of manufacturing
and mining companies fear a short-
age of labor if the Austro-Serbian War
is prolonged. It is estimated that
there are 500,000 Austro-Hungarian
subjects in Western Pennsylvania and
Northern West Virginia, one-fifth of
whom are liable for military duty.

Text of War Declaration.

Vienna.—The text of the declara-
tion of war follows: "The Royal Gov-
ernment of Serbia not having replied
in a satisfactory manner to the note
remitted to it by the Austro-Hungarian
Minister in Belgrade on July 23, 1913,
the imperial and royal Government
finds itself compelled to proceed it-
self to safeguard its rights and inter-
ests and to have recourse for this pur-
pose to force of arms. Austria-Hun-
gary considers itself from this mo-
ment in a state of war with Serbia."

Improvement in Steel Business.

New York.—The United States
Steel Corporation's business for the
second quarter this year showed a
slight improvement over the first
three months, according to the direc-
tors' statement. Earnings of \$22,
956,414 showed an increase of \$2,505,
426, with an increase of \$2,462,215 in
net, and a proportionate gain in net
income. To meet regular dividend
payments on preferred and common
shares it was again necessary to take
\$5,195,237 of last year's surplus.

GERMAN EMPEROR HOLDS WAR CONFAB

TALKS WITH HIS MILITARY
HEADS AND ALSO HIS CHAN-
CELLOR.

HOPE TO REMAIN NEUTRAL

Other Powers Will See to Make Prob-
able War Strictly an Austro-Ser-
bian One.

Berlin.—Important conferences
were held at Potsdam between the
German emperor, the imperial chan-
cellor, Dr. von Bethmann-Hollweg,
and the strategic heads of the army
and navy to determine definitely the
German policy in the crisis.

The British and French ambas-
sadors, Sir Edward Goschen and Jules
Cambon, called on the minister of
foreign affairs, Herr von Jagow, with
communications from their govern-
ments. Authentic information has
been received in Berlin that Russia,
though not mobilizing her army, is
taking certain precautionary military
measures.

Runs on savings banks by small
depositors in various parts of Ger-
many were the outstanding features
of the day, which despite the first
bloodshed of the Austro-Serbian con-
flict, registered a slight but distinct
increase in optimism regarding the
situation.

The British ambassador made no
concrete proposals. It is understood
he told the German foreign minister
that Great Britain's object was
not to intervene in the Austro-Ser-
bian controversy but sought a basis
on which Great Britain, France and
Germany by action at Vienna and
St. Petersburg, could prevent the
spread of the conflict.

The French ambassador proposed
that Germany use her influence at
Vienna in view of moderation. He
was informed Germany was willing
to let the other powers try but as
Austria's ally she could not interfere
with Austria's freedom of action.

The official announcement of Rus-
sia that no mobilization of her army
had been ordered was supplemented
by trustworthy information from
Warsaw that among the precaution-
ary military measures taken were the
withdrawal of troops in Poland from
the immediate frontiers of Germany
and Austria for concentration in the
interior; the recall of the Russian
troops from their summer camps.

President Receives Irish.

Washington.—A delegation from the
Ancient Order of Hibernians which
has just closed its convention in Nor-
folk, Va., was received by President
Wilson. P. F. Cannon of Massachu-
setts, National vice president, headed
the visitors.

Will Not Filibuster Against Trust Bill.

Washington.—Senate Republicans,
in conference, decided not to filibuster
against the trust bills. They are op-
posed to them and will say so in
speeches but their main purpose is to
bring about adjournment as soon as
possible.

Would Reward Workers.

Washington.—Reward for officers
who had charge of Panama Canal
work is proposed in Representative
Dent's bill favorably reported by the
Military Affairs Committee. It would
extend the thanks of Congress to Col-
onel George W. Goethals, Brigadier
General William C. Gorgas, Col. H. F.
Hodges, Lieutenant Colonel William
L. Sbert and Commander H. H. Rous-
seau, a naval civil engineer. The
measure would authorize the Presi-
dent to appoint Colonel Goethals and
General Gorgas major general.

Paris Wants No War.

Paris.—Violent anti-war demon-
strations occurred on the boulevards
accompanied by the singing of revolu-
tionary songs. Large forces of police
and mounted Republican guards under
the direction of Prefect Penion, fre-
quently charged the crowds. Many
persons were knocked down and in-
jured. The disorders were complica-
ted by patriotic demonstration, and on
several occasions attempts were made
to rush the cafes frequented by Ger-
mans, which finally were guarded by
police.

PEACE IN EUROPE RESTS ON GERMANY

GERMAN CABINET SITS IN CON-
FERENCE; EMPEROR PRE-
SIDES.

BRITISH NAVY IS PREPARED

St. Petersburg Expects Austria to De-
clare War Against Russia.—Offi-
cial Battle Report of Day.

London.—News comes that the Ger-
man Cabinet, presided over by the
Emperor, sat at Potsdam until mid-
night and that a consorship over the
telegraph lines is being imposed at
Berlin.

It is fully expected both at London
and Berlin that the Russian Foreign
Minister, Sergius Sazonoff, will reply
to Germany's demand for an explana-
tion to the effect that the Russian
mobilization has already been ordered
and cannot be cancelled.

In the event of Germany mobilizing
it is expected that Premier Asquith
immediately will ask Parliament to
sanction a large vote of credit as a
necessary precaution.

The British Navy is prepared for
war at a moment's notice and the
British Army is quietly and swiftly
preparing. The war office throws cold
water on the word "mobilization,"
and has issued another carefully
framed notice to the newspapers that
only "the usual precautions" are being
taken.

Vienna.—The following official dis-
patch was received here:

"About midnight machine gun fire
was opened from Belgrade and in re-
ply the Austro-Hungarian monitors
bombed the city.

"At 1 o'clock in the morning the
powder magazine in Belgrade blew
up. At dawn the Servians made an-
other unsuccessful attempt to destroy
the bridge.

"As shots were fired from the Ser-
bian customs house upon our troops,
our artillery was trained upon the
building which was quickly demolish-
ed. This was followed by the sound
of rifle fire. Simultaneously fires
broke out at different points in Bel-
grade.

"During the Servian attempts to
blow up the bridge 16 Servians were
captured by our men and taken to
Petersvarden.

"It is rumored serious disturbances
have broken out in New Serbia where
the non-Serbian elements are reported
to have refused to enter the army."

AMERICAN MARKET AFFECTED.

Foreign Troubles Cause Big Slump in
Cotton Market.

New York.—The New York Stock
Exchange bore the brunt of tremen-
dous world-wide liquidation of securi-
ties, inspired solely by the war clouds
which more ominous than ever, hung
over all Europe. It centered here be-
cause there is no other primary se-
curity market in the world which is
not either closed or under restriction.
Prices broke from 6 to 17 points un-
der an overturn of 1,800,000 shares of
stock, a large part of which repre-
sented the "dumping" by foreign
holders of American securities and
the selling of foreign shippers.

Chicago.—Contrary to previous ex-
perience, wheat prices in the final
dealings here were being driven, not
up, but down by prospects that the
Austro-Serbian war would spread. Af-
ter a rise of nine cents a bushel,
values shrunk as much as three cents
in 30 minutes, largely on account of
bold assertions that the bulk of the
surplus crop of the United States
might be held in this country as a
result of general war disrupting all
ocean trade.

New Orleans.—The New Orleans
cotton market experienced its most
decided break in years on reports
from Europe. At the lowest prices
were 82 to 91 points below the close
yesterday but in the last few minutes
the market took a slight brace on
profit-taking sales and closed 77 to
80 points down or at an average of
\$4 a bale.

Peace in Mexico.

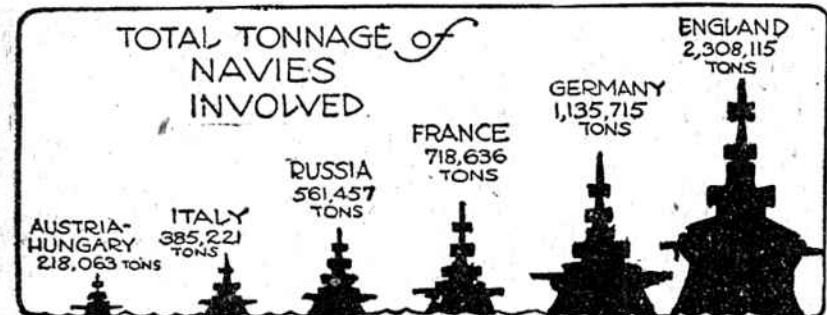
Washington.—Referring to the Mex-
ican situation generally President
Wilson described the outlook for
peace as "entirely encouraging." Ad-
vices from every quarter to the Wash-
ington Government showed the restora-
tion of tranquility throughout the
Republic. The Zapata faction now is
working in harmony with the Consti-
tutionalists and an agreement has
been consummated through which
the support of the Southern revolu-
tionary forces is promised to the new
Constitutionalist government.

Insurance Was Limited.

New York.—Brisk buying of war
risk insurance covering gold exports
continued at the record rate, set re-
cently of \$5,000 per \$1,000,000 of gold
insured. Even at these figures some
of the underwriters refused to take
any more risks for shipments on the
steamship St. Louis, which sails to-
morrow with about \$5,000,000. The
feeling prevailed that the insurance
companies faced a situation where it
might become difficult for them to pay
losses under adverse circumstances.

Emperor Warmly Greeted.

Vienna.—Scenes of extraordinary
enthusiasm accompanied Emperor
Francis Joseph's return to the Aus-
trian capital. Enormous throngs
carrying banners and led by semi-
military bands formed into procession
behind the veteran monarch and
escorted him to Schoenbrunn Castle
amid a continuous roar of cheering.
A movement is on foot among Ameri-
can citizens and British subjects liv-
ing in Hungary to form a special
corps to accompany the Hungarian
army into the field.



volted in 1876-78, aiming at complete
freedom. With them joined their
kinsmen of Bosnia and Herzegovina.
The Russo-Turkish war, which fol-
lowed, made great changes in the Bal-
kans. Serbia proper obtained com-
plete independence, but Bosnia and
Herzegovina were left nominal Turk-
ish dependencies, but really to be oc-
cupied by Austrian troops.

Austria's Seizure of Bosnia.

The consequence of this was a four-
year insurrection against the Aus-
trians, the effects of which have never
disappeared. The Austrians have
spent large amounts of money on the
country, but never allowed it auton-
omy; and in 1908-9, using as an ex-
cuse the constitutional revolution in
Turkey, which would require dele-
gates to the Turkish parliament to
come from these two states, which
were actually in Austrian hands, the
Hapsburg monarchy formally annexed
Bosnia and Herzegovina. Germany
backed up her ally, and the protests
of the Slav powers did not go to the
extent of war. Meanwhile the Slavs
of Dalmatia are under Hungarian
rule; and here, as in Bosnia and Her-
zegovina, promises of local self-gov-
ernment have never come to anything
more than words. Thus the northern
half of the Serbian race is still under
the Austrian empire.

Meanwhile the southern half was
finally united by the victories over
Turkey in the war of 1